

Those who cannot remember the past are condemned to repeat it.¹

The Australian Army – Overview

Introduction

- 2.1 This Chapter is intended to place our inquiry into the Army within an historical context. It looks at the development of the Australian Army since Federation. This is done under a series of topic headings that reflect the structure of this report. The Army's historical situation is then examined in the light of contemporary developments. The Chapter concludes by discussing what we believe to be the critical historical trends that continue to shape the Army in a manner that limits its suitability.
- 2.2 The outline structure of this Chapter is as follows:
- **Origins**
 - **The Army's Background – A Functional View**
 - ⇒ Defence Strategy and the Army
 - ⇒ The Army's Operational Capability
 - ⇒ Funding the Army
 - ⇒ The Evolution of Force Structure
 - ⇒ Personnel
 - ⇒ Equipment, Technology and Industry

¹ Attributed to George Santayana, *The Life of Reason*. Quoted in Parkington, A, *The Concise Oxford Dictionary of Quotations* (New Ed), Oxford University Press, Oxford, 1994, p. 266.

- The Impact of Contemporary Developments on Historical Trends
- Conclusion

Origins

- 2.3 The Australian Army was born during an overseas conflict. At the time of Federation volunteers from the separate colonies were engaged in South Africa supporting other British forces. A total of 16,175² troops were to serve in the Boer War of whom 500 were not to return. This commitment extended from 1899 to 1902 during which the Australian Army was officially created on 1 March 1901. The Army was created by amalgamating the military forces of the federating colonies. It was the perceived need for effective defence of the continent that formed one argument for Federation. However, not all saw the proposed amalgamation in terms of increased effectiveness but ‘... to bring about heightened efficiency, and efficiency was equated with reducing expenditure’.³
- 2.4 The legislative framework in which the Army was to operate was provided within a Defence Act which, after some difficulty, was proclaimed in 1904.⁴ However the early shape of the Army was probably most affected by the activities of Mr Billy Hughes, a former Prime Minister. His work, in association with the National Defence League, set the conditions for the adoption of universal training. In 1908, the Defence Act was amended to introduce the military training of boys between 12 and 18 years. In 1911, the compulsory scheme was implemented and, after the initial training, required continued commitment within the citizens’ forces for men aged between 18 and 20 years.⁵
- 2.5 The full benefits of this scheme were not realised when war was declared in 1914. The outbreak of World War I and the Gallipoli landings of 25 April 1915 were seminal events for the young nation, and for the Army. Gallipoli in particular, ensured that to a great extent the myths and values of the fledgling Australian Army were to become those held by the fledgling Nation. The concepts of mateship, stoicism and the ‘fair go’ all resonate in the popular literature and language of both the Army and Nation. The Army’s military traditions, unlike those of many other national armies, were focused on the exploits of the common soldier. The

2 Grey, J, *A Military History of Australia*, Cambridge University Press, Melbourne, 1990, p. 57.

3 *ibid.* p.67.

4 *ibid.* p.69.

5 *ibid.* p.79.

higher aspects of war, including generalship and strategy, have never been as significant in Australian society as they have in other nations.

- 2.6 The end of World War I in 1918 set the underlying relationship between the Army and Australian society. It was and remains an ambiguous relationship. The Army is an institution of which Australians are openly proud but in which most would not aspire to serve. In peace, unlike Britain, it has not attracted into its ranks the nation's elites. Unlike the United States Army it has never held significant economic and political power or influence. Australian military literature appears to emphasise the lot of the common soldier. Australians have delighted in motion pictures about light horseman, 'Breaker' Morant and diggers in Vietnam.⁶ But there has been no motion picture or popular account of a Monash, a Vasey or a Morshead.

The Army's Background – A Functional View

- 2.7 Since Federation a large number of Australians have served in the Army. Inevitably the tragedies and triumphs of the Army have been translated into a multitude of individual and highly personal accounts and memories. It was tempting for us to catalogue these historical events in which so many have shared. Unfortunately this approach would not have helped us place the Army in context. Consequently, the approach we have taken is functional and thematic rather than chronological.
- 2.8 The historical overview provided below is aligned to the subject areas which we have examined during the inquiry. The overview attempts to identify underlying themes and trends in the development of the Army and is therefore not exhaustive.

Defence Strategy and the Army

The Focus of Australia's Strategy

- 2.9 Traditionally the role of strategy is to decide how military means can be used to achieve political ends. For modern western democracies the political ends sought have been the security and well being of the nation and its citizens. In other words national strategy has been aimed at achieving national security. Australia's strategy has been no different.

⁶ The film and book, *The Odd Angry Shot*, related the story of a group of Special Air Service soldiers in Vietnam.

- 2.10 From Federation until the 1970s Australia's peacetime⁷ defence strategy has remained remarkably consistent. It has aimed at an ability to secure the sea approaches by which any aggressor would have to travel to attack Australia. Naval force, in concert with the naval forces of larger allied nations, has been the preferred military means of implementing this strategy. Given Australia's geography and small population this approach to collective maritime defence has appeared logical and has been consistently applied. Eventual improvements in aircraft capabilities did not alter the concept. Instead, the aircraft has taken an increasingly prominent role within the strategy relative to surface ships.
- 2.11 The peacetime Army, both before and after the rise of air forces, has been primarily oriented towards the territorial defence of Australia. This restriction of the Army to continental defence has been reflected in legislation. During periods of peace the bulk of the Army has been made up of militia⁸ which, under the terms of the Defence Act, were precluded from service outside of Australia.
- 2.12 In time of war or lesser conflicts⁹ Australia's strategy has been to maximise security through the contributions to allied forces in pursuit of collective defence. For the first half of the twentieth century this was done with Britain in the context of imperial defence. This initially dependent relationship was made very close by ties of ethnicity, shared institutions, culture and trade.
- 2.13 After World War II security was increasingly pursued with the United States. This relationship was made close by a number of factors. Initially Britain's inability to guarantee Australia's security against the Japanese in the Pacific War drove Australia into a relationship with the United States. The further decline of British power after the war left it unable to guarantee security outcomes in the Pacific. Australia's experience with Japan and the subsequent polarising affect of the Cold War moved Australia into a closer relationship with the United States.

A Paradox within Australia's Defence Strategy

- 2.14 Paradoxically, the bulk of Australia's contribution to alliance commitments during conflict, in terms of total resources, has usually been through the Army. Yet, with the exception of 1942 to 1944, the role of the Army in achieving collective defence outcomes has not been clear-cut. In

7 The period between 1947 to 1972, which included conflicts in Korea, Malaya, Borneo and Vietnam, is not considered, in this context, as being a period of peace.

8 Now known as reservists.

9 This term is used to cover commitments such as Vietnam and even UN commitments such as Cambodia and East Timor.

most conflicts its contribution to the outcome has been a relatively small portion of the total military contribution made by more powerful allies. This might be explained by the suggestion that its role in these conflicts has been as much geo-strategic as military.

- 2.15 The concept of securing allied support through the contribution of armed forces has long endured within Australia's wartime strategic thinking. The sacrifice of nearly 60,000 Australians in World War I was thought to provide Australia a place at the 1919 Paris Peace Conference. It is not clear whether this brought for Australians anything that did not conform to what was wanted by Britain.¹⁰ In late 1945 Australia used its Army to clear Japanese forces from islands of questionable strategic importance at that time. These actions were partially justified as a means of ensuring Australia also had a say in the post war settlement with Japan.¹¹ The success of this strategy has been open to debate.

Recent Shifts in Strategy

- 2.16 From 1976 there was a clear shift to orientate all three services towards a common and tangible strategic objective. This trend was firmly set in the 1987 Defence White Paper.¹² The first priority of the three services was to be the territorial defence of Australia. Australian forces were not to be seen as a way to secure future commitments of allied support. This was an important shift although the concept still shared a lineage with previous peacetime strategic thinking. It placed the Army's role clearly within the context of continental defence. The RAN and the RAAF were pre-eminent. The Air Force and Navy were to interdict and defeat aggression within Australia's maritime approaches.
- 2.17 Within this scheme the Air Force was arguably seen as the first line of defence against credible short warning contingencies. Logically, in terms of investment in high-intensity (or conventional) warfighting capability, priority has gone to the Air force and the Navy. Recently tensions within the Pacific and South East Asia have placed new and predominantly low-intensity demands on the Defence Forces. Characteristically these demands have focused on the Army heavily supported by RAN and RAAF troop lift and logistic support. The recurrent peacetime desire to limit ground forces to territorial defence has once again collided with real world demands.

10 See comments made in Grey, p. 116.

11 Grey, p. 182.

12 Department of Defence, *The Defence of Australia*, AGPS, Canberra, 1987.

The Army's Capability

Measuring Capability

- 2.18 By far the most problematic aspect of our inquiry into the Army was determining the organisation's outputs and how to measure them. An historical review of the Army's previous performance in armed conflict promised to shed light on how capability should be assessed in peace. This was not as easy as we hoped. Despite the difficulties we considered that we could not credibly express a view on the Army's current capability without some opinion on the suitability of past capability.

The World Wars

Preparedness and Operational Performance

- 2.19 The Army commenced both World Wars fundamentally unprepared. In neither case was the Army adequately prepared for the nature of the conflict or the scale of its commitment. It therefore commenced each war deficient in doctrine, equipment and trained manpower. Given the role assigned to the Army by peacetime Governments,¹³ this outcome should not have been a surprise. The cost paid for this inadequate preparation was paid for in Australian lives and reduced national security. It included the defeat and capture of the 8th Division, the loss of Singapore, the bombing of Darwin and the epic struggle of Kokoda.
- 2.20 At the end of both wars the Army was transformed. In 1918 the 1st Australian Corps, led by General Monash, was a highly effective fighting organisation. Planning and combined arms coordination, including the use of the fledgling tank, was impressive. In the Middle East, Chauvel's mounted corps was a major contributor to the British successes in that theatre.
- 2.21 By 1945, the final campaigns in the South West Pacific Area demonstrated the Army's ability to plan and execute complex and large-scale operations. The nature of the environment forced air, naval and sea forces into a highly interdependent relationship. This was clearly demonstrated during Army landings at Balikpapan where:

... the Australians had the benefit of overwhelming numerical superiority, and huge air and naval support. In fifteen days, the naval covering force fired 23,000 shells at targets ashore, while minesweepers were cleaning the Macassar straits, off the invasion

13 It should be noted that the Army vigorously opposed Australia's strategic dependency on the Royal Navy and the Singapore strategy.

beaches. Liberator bombers, based as far afield as Morotai, Sumar and Palawan, as many as 196 a day, bombed the positions in and around the port.¹⁴

- 2.22 The improved operational and tactical competence of the Army at the end of two prolonged wars was to be expected. This competence did not mean that the Army achieved the strategic outcomes for which it was committed. The capability of the Army was meaningless unless it could be channelled into the delivery of strategic outcomes.

The Impact of the Army on Strategic Outcomes

- 2.23 A question that is rarely asked is whether Australia's military capability was critical to the outcomes sought during war. It is a difficult but important question. In World War I there were actions in which Australian forces were instrumental to the military outcome. This was particularly the case on the Western Front in 1918. But Australian forces represented less than five per cent of the manpower allocated to the war by Britain.¹⁵ Australia's role in the conflict assumes more significance when Britain's efforts are considered as a coalition. Almost 30 per cent of Britain's manpower was derived from a 'coalition' of Empire troops. This coalition was probably crucial to the outcome achieved.¹⁶ Australian troops were a significant component of this coalition. In the next War the Army would arguably be a key contributor to at least one theatre of operations.
- 2.24 In World War II Britain and America's priority lay with the defeat of Germany.¹⁷ Consequently in the critical early stages of the fight with Japan, Australia's Army represented the major contribution to ground combat in New Guinea. It also bore the majority of the allied casualties on that island. By the wars' end Australian ground forces still represented one quarter of all ground forces in the South West Pacific Area (SWPA). In short, the Army was a major contributor to a critical outcome in the War.

14 Charlton, P, *The Unnecessary War: Island Campaigns of the South West Pacific*, Macmillan Australia, Brisbane, 1983, p. 158.

15 It is acknowledged that Australia provided a high percentage of combat troops. However this contribution would not have been possible without Britain providing the necessary logistic and technical support that permitted a total capability to be fielded.

16 Derived from Grey, p. 119.

17 The United States devoted only 15 per cent of its war effort to the Pacific War. See Overy, R, *How the Allies Won*, Pimlico, London, 1995, p. 321.

Table 2.1 Australia's Relative Contribution to Conflicts – a Rough Measure of Capability

Conflict	Dominant Friendly Force	Percentage of Total Force from Coalition Forces	Percentage of Total Force from Australia
Boer War	367,000 ¹⁸	18%	3.5%
World War I	UK – 5 million	29%	4.5%
World War II (South West Pacific Area)	US – 18 Divisions by 1944	(Not Available)	Initially 100% of ground forces shifting to 25% by wars end
Vietnam	US – 450,000 at peak	(Not Available)	1.5% of US Forces

- 2.25 Table 2.1 provides indicative manpower ratios for four major conflicts in which the Australian Army has been involved. This is provided as a very blunt measure of Australia's influence on some military activities. It suggests that in some conflicts Australia's influence, as a component of an overall force, has been limited. The value of Australia's contribution lay in its contribution within a significant coalition (World War I) or in the geo-political support it provided (The Vietnam War).
- 2.26 With the benefit of hindsight the Army's contribution in World War II could have been more decisive. However strategic decisions, some being made with the best of intents, served to dissipate capability. World War II demonstrated how the usefulness of the Army's capability was highly dependent on sound politico-military decision making. This did not always occur.

Strategic and Operational Impediments to the Army's Capability

- 2.27 During World War II poor strategic and operational decision making served to waste valuable capability and hence opportunities. The commitments to Greece and Crete and the questionable island campaigns of 1945 reflect an uncertainty in strategic priorities. They also reflected a political-military relationship that could have been healthier.
- 2.28 There was a tendency by Australian governments in World War II to demur to strategic thinking in foreign capitals – even when this was not clearly in the interests of Australia and against national military advice. In fairness the Government lacked access to much information and was participating within a coalition. But there was a sense of Australia

allowing itself, both in the Mediterranean and the Pacific, to be unwittingly manipulated into using forces inappropriately.

- 2.29 The Army leadership was also responsible for misunderstanding how much technology had compressed strategic as well as operational time. Poorly prepared forces were ‘penny-packeted’ in a fashion that served no purpose other than their defeat. Ambon, Rabaul and Timor demonstrated the enormous penalty paid by the Army because of insufficient air and naval power and operational mobility. The rise in capability of the military aircraft changed the nature of ground warfare. It did not however, as some predicted, make ground combat obsolescent.

The Impact of Technology and Weapons of Mass Destruction on Military Capability

- 2.30 The final decisive act in the war against Japan was the release of the atom bomb. This, like the introduction of gas in 1915, added a new dimension to war. In both cases the use of these mass destruction technologies had been used to suggest fundamental changes to warfare. The horror and devastation of World War I, including the use of gas, suggested it was ‘the war to end all war’. Similarly the atomic bomb was meant to have made traditional concepts of warfare obsolete. Yet ground conflicts have continued around the globe with little use of gas and thankfully, no use of nuclear devices. To measure military capability in terms of ‘golden bullets’ or ‘one-off’ technological solutions proved futile. It represented a misunderstanding of the nature of inter and intra-national conflict.
- 2.31 During the 1950s and 1960s the heavy investment by the United States in improved aircraft and nuclear delivery systems did not, as was hoped, relieve it of the need to fight ground battles. Similarly, for Australia, the acquisition of the F-111, with its capability to carry nuclear as well as conventional strike weapons, did not alter the need for ground forces. Many conflicts are not battles in which the survival of the State is at stake. Consequently many conflicts neither warrant, nor are they solved by, ‘golden military bullets’. This was amply demonstrated by Australia’s involvement in conflicts between 1946 and 1972.

The Post-War Period, 1946 - 1972

- 2.32 The Army’s capability in terms of preparedness dropped markedly after 1946. A small regular force had been created but by 1950 the armed forces were ‘... run down, under trained, and still largely equipped from Second World War stockpiles’.¹⁹ Yet with the late 1940s came the onset of the Cold War. There was also a strong allied commitment to the containment of communism and planning for the conduct of another global war. From

19 Grey, p. 198.

the time of the Korean conflict elements of the Army were extensively committed outside of Australia for the next 22 years.²⁰

- 2.33 With such a prolonged series of commitments it was perhaps inevitable that the Army's military capability developed. By the second half of the 1960s in the Vietnam War the Army developed a deserved reputation for good tactics and a very high standard of individual proficiency. General Westmoreland, a US Commander in the Vietnam War, observed that:

Small in numbers and well-trained, particularly in anti-guerilla warfare, the Australian Army was much like the post-Versailles German Army in which even men in the ranks might have been leaders in some less capable force.²¹

- 2.34 Despite years of overseas commitment the significance of Australia's contributions to Korea, Malaya, Borneo and the Vietnam War was not military but geo-strategic. In Vietnam, as a percentage of United States Forces at their peak, Australian forces represented less than 1.5 per cent of the military effort.²² This is not to down play the sacrifices made by the troops in this conflict. It serves to illustrate the limits of Australia's capability independently to affect military outcomes. It also serves to illustrate that for Australia to wield significant military force, as in World War II, requires significant military funding. It should also be added that interest in and support for the Army at home did not match its international standing and performance in these distant conflicts.

Funding

- 2.35 The funding of the Army has tended to reflect the pendulum swing of Army's relative priority within Australia's defence strategy. The manner in which the Army has been previously funded during peace²³ has impacted on capability and preparedness in two ways:
- It has provided insufficient funds to maintain a base level of capability needed for immediate demands and systematic expansion.

20 It should be noted that soldiers were committed with the occupation forces in Japan since 1946.

21 Quoted in Frost, F, *Australia's War in Vietnam*, Allan and Unwin, Sydney, 1987, p. 78.

22 *ibid.* p. vi.

23 Peace is defined as those periods in which Australia has not had significant forces deployed and actively engaged in applying armed force. Examples of peace include post-Boer War, post-World War I, immediately post-World War II and post-Vietnam. Much of the post-World War II period, including Korea, Borneo, Malaya and Vietnam, are not strictly considered periods of peace. This is because Australia's defence policy and/or defence funding priorities were affected by the participation of significant numbers of Australians in active conflict.

- It has provided erratic funding guidance that has removed the certainty needed to devise and develop credible capability.

Insufficient Funding

- 2.36 It was not until 1906–07 that federal expenditure on Defence exceeded the cumulative total previously spent by the separate colonies.²⁴ By 1914 appropriations were up to 3 million pounds.²⁵ But this figure represented approximately 3 per cent of the average yearly expenditure that the Nation was to spend on the Armed Forces during 1914–1918.²⁶ The disparity between peacetime and wartime funding was enormous.
- 2.37 In the 1920s and 1930s spending on the Army could only be described as meagre. Even by 1936–1937 the amounts allocated to the Army (approximately two million pounds) did not reflect the costs associated with credibly equipping a force. It was estimated that a single anti-aircraft battery cost 150,000 pounds while a coastal battery cost as much as 300,000 pounds.²⁷ The impact of these low funding levels within two years of war was that units existed at half strength or below, were poorly equipped and inadequately trained.
- 2.38 There was also a tendency for funding to reflect differing perceptions about the three services. In the period 1923 to 1928 expenditure on the Navy was double that spent on the combined allocation for the Army and Government munitions factories.²⁸ However, on the eve of war in 1939–1940 the Army was allocated almost thirteen times the amount allocated two years earlier. This was double the amount allocated to the Navy in that year.
- 2.39 The mistaken belief that the Army’s could develop capability in peace with minimal funding was very persistent. Part of the problem for the Army may have lain in a belief, not uncommon, that after a month or two of training even Australian civilians would be equal or superior to troops from other countries.²⁹ A similar view was expressed prior to World War I based on the experience of the Boer War. Equipping and training of military personnel was not important in peace as war was no more complex than ‘riding and shooting’.

24 *ibid.* p. 73.

25 *ibid.* p. 81.

26 *ibid.* p. 119 (Percentage derived from figures provided in the text).

27 *ibid.* p. 25.

28 Long, G, *To Benghazi*, Australia in the War 1939–1945, Series 1 (Army), 1952, Australian War Memorial, Canberra, p. 9.

29 *ibid.* p. 3.

2.40 Prior to World War II there did not appear to be an established base line of capability that the Army should possess. Without this public agreement, the Army made do with whatever was given. It appeared to be in a state of organisational drift. Both wars also demonstrated a 'boom and bust' approach to the Army's funding. This may not seem important until it is remembered that the 'boom' may not have had to be so dramatic if the 'bust' had not been so severe. It was also inevitably paid for in casualties. However, even the bust could probably have been coped with if funding had remained consistent.

Inconsistency in Funding

- 2.41 Following World War I, World War II and the Vietnam War, Government funding did not remain consistent with the forecasts provided to the Services. In 1947, after World War II, the three services received guidance to plan for an annual allocation of 60 million pound. However, 50 million pounds was allocated and the Services were forced to adjust their plans. A similar but more dramatic problem confronted the Services in the 1920s. At the conclusion of the Vietnam War the Government's intention was to establish overall defence expenditure at 3.5 per cent of GDP. This slipped to 3.1 and then 2.8 per cent of GDP in 1973–74 before climbing by mid-decade to 3.1 per cent.³⁰
- 2.42 Once again, the failure to establish publicly recognised base levels of capability probably contributed to this problem. For the Army this inconsistency in funding may have also contributed the persistent hollowness and fragmentation within Army's force structure.

Force Structure

- 2.43 It is difficult to find, without extensive research, an analysis of how and why the Army's force structure has varied over time. However, even a partial analysis suggests at least three themes. These themes include:
- Hollowness – the maintenance of organizations which lack the staffing or equipment to be operationally functional
 - Balance – the attribute, which amongst other things, includes having the full range of capabilities necessary to deploy, sustain and fight battles without external support.³¹

30 Grey, p. 251.

31 See the Glossary at the end of this report.

- Stagnation – the tendency for the force structure and warfighting concepts to remain static during peace despite shifts in technology that may affect the Army’s performance in future conflicts

Hollowness

- 2.44 After World War I the Army was modelled on the Australian Imperial Force as it had been from 1916. This Force consisted of seven divisions staffed by a militia of 100,000 men and supported by a permanent force cadre of 3,150.³² This structure was convenient as it permitted the use of the old equipment used by the AIF. The Army attempted to maintain this force structure in the face of declining funds and manpower reductions. By around 1927 both the militia and permanent force numbers were reduced to half those available at the start of the decade.
- 2.45 Ten years after the War the force structure was sustained by only half the necessary manpower.³³ At the approach of World War II the Army force structure still owed much to the organisation of the 1st AIF. However its staffing was so low as to be dysfunctional. The challenge facing the Army at the outbreak of the war was to transform:
- ... each so-called brigade of perhaps 900 partly-trained, poorly-equipped militia, without transport, into a full brigade of some 3,600 equipped and mobile infantryman.³⁴
- 2.46 After the World War II the establishment of a small regular army did not overcome the perpetual problems of force hollowness. In 1949 the rapid deployment force which was meant to contain 3000 personnel had only 1000 troops.³⁵ Both Korea and the Vietnam War saw the Army entering conflicts with outdated and limited equipment and stretched for personnel.
- 2.47 While hollowness has been a consistent theme for the Army, the passage of time has seen the adoption of smaller more capable force structures. In general, since Federation, army formations have become smaller but acquired more weapons, mobility systems and sensors. The most significant changes to force structures appear to have been driven by wartime pressures – not peacetime planning. During peace the force structure has tended to stagnate.

32 Long, pp. 2-3.

33 *ibid.* p. 13.

34 *ibid.* p. 24.

35 Grey, p. 221.

Stagnation

- 2.48 The Army has attempted to consider the impact of new technology on force structures at least twice since Federation. In the 1920s the Army looked at the role of the tank. In the early 1960s the Army looked at a new structure known as the Pentropic Division. Both attempts at change have been heavily influenced by estimates of the impact of technology. Experimentation with the tank is an obvious example. However, the Pentropic Division was partially in response to the anticipated effects of conducting ground combat in a nuclear age.
- 2.49 The difficulty for the Army was that a change to force structures inevitably required resources. The common argument is that the tank and Pentropic Division concept were not accepted for a range of institutional, operational, cultural and other reasons. These reasons were certainly important. But they may have been overcome if those affected by reform received some benefit – such as new equipment, more personnel or more operating funds. The reform of force structure cannot occur unless it is resourced. This was possibly the single biggest reason for the limited change in the Army's force structure during periods of peace.
- 2.50 In war, or periods of economic stringency, changes tend to be forced on the Army. Manpower shortages and industrial output in World War I tended to increase the relative amount of machine gun and artillery fire available to infantry formations.³⁶ This had a positive effect on the capability of these formations. Similarly in World War II the Army adjusted the number of battalions per brigade from four to three. This conformed to moves by the British and was largely driven by their need to make better use of their available manpower.
- 2.51 In general resources limit the conduct of substantial force structure changes by the Army during peace. As a consequence, the Army's ability to anticipate and prepare for future conflicts has been limited.

Balance

- 2.52 During World Wars I and II neither the Army nor the other Services were designed to operate in a complementary fashion independent of the support from other nations. They were adjuncts to other armies, navies or air forces. As a consequence, for much of the Army's history, it was dependent on the logistic support provided by other nations. The Army's structure during the 1930s was dysfunctional unless it was cocooned within the wider supporting embrace of the British Army. In World War II the Army was critically dependent on the shipping and air support

provided by the United States Army, United States Army Air Force and United States Navy.

- 2.53 Balance within a force structure both within the Army and between the Services increases the scope for independent national action. It also, by its nature, means there is depth in the military capability. A balanced force structure has complementary and overlapping systems. There are fewer Achilles heels which, if damaged, threaten the viability of the whole force.
- 2.54 Following the war in Vietnam, the changes that have occurred within the Army's force structure have tended to improve force balance. The introduction of an air defence missile regiment³⁷ and an electronic warfare regiment are but two examples that have contributed to greater balance within the force. These changes have not addressed, and may have exacerbated, the force structure tendency to hollowness. A key feature of hollowness is the maintenance of organisational liabilities well in excess of the supporting personnel asset.

Personnel

The Structures

- 2.55 For more than half of the Army's history its personnel structure has been based on a militia supported by a small permanent cadre. This structure has been circumvented during conflict by the creation of volunteer contingents. World Wars I and II saw the creation of the 1st and 2nd AIFs. Korea and the Vietnam War saw the deployment of regular forces or volunteer conscripts. The militia has not formed the basis for the majority of the Army's combat activities since Federation. Its role, by legislation, has been the defence of territorial Australia. In this sense the militia concept is a victim of the nation's recurrent peacetime aspiration to have an Army solely for the purpose of continental defence.
- 2.56 The difficulty with this structure, based on historical outcomes, was that it consumed resources but did not fully contribute to the outcomes sought. It was a system in which many Australians have experienced hardship and frustration. As noted by Gavin Long, those who volunteered for the militia in the 1930s did it hard:

... there were few who did not suffer disadvantages in their civilian work because of their military service. Indeed, an important factor in the small attendances of other ranks at camps

37 It should be noted that the relative number of air defence assets within the total force actually declined from the 1950s.

was the frequent inability to obtain leave from unpatriotic employers ...³⁸

- 2.57 The creation of a small Regular Army after the World War II did not substantially alter the force or personnel structures. Relatively small scale deployments to Malaya and Korea were handled by regular personnel within the total force. With increased overseas commitments in the 1960s the force and personnel structures tended to diverge.³⁹ These commitments required relatively large numbers of regular/conscript personnel rotated as complete units. For legislative reasons the Citizen Military Forces (CMF) could not be used and gravitated to forming a base for mobilisation. In 1974 the CMF were redesignated the Army Reserve with the objective of establishing a more unified personnel and force structure. This was a concept for a total force.

Recruiting and Retention

- 2.58 Maintaining the Army at strength has been a perennial problem. Early in Australia's history compulsion was adopted as a way of building up the militia. The aim of the 1908 scheme for universal military training was to create a large militia. By 1921 it numbered 100,000. The scheme was discarded at the end of the 1920s. Without the benefits of compulsion the Army was subject to the impact of the economy on recruiting. When the economy dived during the Great Depression the Services were attractive to job seekers but positions were limited and conditions of employment were harsh. For instance Army officers had extended periods of leave without pay as part of the price for serving – a condition not adopted within the public service.
- 2.59 During a boom economy it was difficult for the Army to compete with civil employment. The decision to reintroduce conscription in 1964 was opposed by the Army. It believed that recruiting could be improved through improved pay and conditions. Unfortunately the Treasury's assessment of the economy did not support this. The Treasury appeared to believe that improvement in service conditions would not be able to compete with the demand for labour by the economy.
- 2.60 The 'boom and bust' of Army recruitment might have been alleviated had it been more valued and relevant to the community. The roller coaster changes within militia numbers suggest a community attitude to service within the Army. In 1920 the militia, under compulsion, was 100,000 strong. After compulsion was removed at the end of the decade it shrunk

38 *ibid.* p. 31.

39 *ibid.* p. 195. It should be noted that the divergence probably commenced after 1957 with the creation of a regular brigade.

to 27,454.⁴⁰ Similarly, when the conscription system used to support the Vietnam commitment was terminated, the Citizens Military Force declined from 50,000 to 20,000 members.⁴¹ This was a smaller total than in 1930 despite a larger civil population base.

- 2.61 The concept of serving the defence of the country through either the Reserve or Regular force does not appear to be widely valued within the community.

Equipment and Technology

- 2.62 The most significant trends involving the Army's equipment and technology have been:
- The development of local sources of manufacture
 - Alterations in the preferred countries of supply
 - The relatively low level of mechanisation

Local Supply of Equipment

- 2.63 During World War I the Government realised how dependent it was on overseas sources of supply. After the war Australia's manufacturing and scientific base grew with encouragement from Government. This eventually reduced the previous level of dependency the Army had on foreign sources of supply.
- 2.64 The expansion of the industrial base caused by the Pacific War also benefited the Army. By the war's end a significant component of the logistic support for both the Australian and United States Armies, within the Pacific, was drawn from Australia. But Australia was affected by dependence on foreign supply. In the late 1930s the demand for military equipment was hitting bottlenecks as demand exceeded Britain's ability to supply the more complex items. This is well illustrated in the following quote from the official history:

Machines and weapons which the Australian Army, like the Air Force, had ordered four years before had not been delivered from British factories, which were fully employed in a last minute effort to equip the British Army.⁴²

- 2.65 Since the war, the rise in globalisation and reduced protection for Australian manufacturers has complicated equipment supply. Despite

40 *ibid.* p. 136.

41 *ibid.* p. 222. NB: Service within the CMF meant that individuals would not be conscripted. This accounted for the large size of the CMF during the Vietnam War.

42 *ibid.* p. 26.

these changes there has been a degree of local manufacture and assembly in support of the Army. The RAVEN radio was developed under the Army's direction and assembled in Australia. Similarly, artillery, four-wheel drive vehicles and rifles have all been either assembled or manufactured under licence over the last two decades.

Interoperability and Foreign Supply of Equipment

- 2.66 The Army originally favoured equipment of British origin. However, the increasing involvement with the United States Army in the 1960s saw this change. By the end of the Vietnam War, the Army's combat radios, armoured personnel carriers and helicopters⁴³ were of US origin. Since the Vietnam War, the Army, in comparison to the other Services, has not been as dependent on supply from the United States. For instance, its tanks have been bought from Germany, the Light Armoured Vehicle (LAV) from Canada and air defence missiles from the United Kingdom.
- 2.67 It appears that the Army has tended to pursue allied interoperability by adherence to operating and technical standards rather than through common equipment. Some interoperability in allied logistics is achieved through standardised weapon calibres, but not through common vehicle fleets or weapon manufacturers.

The Levels of Equipment Provisioning

- 2.68 The past technological sophistication of the Army was, needless to say, directly related to funding. Since this was very limited the result was predictable. The situation in the 1920s is well illustrated by the following excerpt from the official history:

Gains in equipment were almost microscopic: in 1926 the Army received its first motor vehicles – five 30-cwt lorries, one for each military district except the Sixth (Tasmania), and eight tractors for artillery; in 1927 four light tanks arrived.⁴⁴

By 1935, the situation was no better despite the Government's increased concerns about defence. The Army was incapable of fielding a brigade without obtaining civil motor vehicles.⁴⁵

- 2.69 In relative terms the Australian Army has undergone less mechanisation than its British, American or Canadian equivalents. This partly resulted from the environments in which the Army fought after 1942. Army's focus on jungle and counter-revolutionary warfare precluded the need for the types of equipment associated with warfare in central Europe under

43 This included those helicopters operated by the RAAF.

44 Long, p. 10.

45 *ibid.* p. 20.

NATO. However, the largely reserve forces maintained for continental defence were also progressively denuded of tanks and mechanised capability from the 1950s to the 1990s.

Background Summary – Historical Trends

- 2.70 A quick survey of the Army's background introduced us to a number of trends. The main trends that we believe would be relevant to our inquiry are listed below.
- Peacetime defence strategy consistently lacked the necessary sophistication to prepare the Army for future conflict. National strategy was incapable of squaring recurrent real world demands with a desire to limit the Army to territorial defence.
 - The limitation placed on the Army by peacetime strategy was inevitably reflected in the Army's capability, funding, force structures, personnel and equipment.
 - The Army's ability to generate capability was consistently limited at the start of conflict by a lack of preparedness. Capability had to be acquired, at some cost in both casualties and effort, once the Army was committed to a conflict.
 - The Army was able to influence events in some theatres of operations; however its main utility lay in its contribution to coalitions.
 - The rise of new technologies, including weapons of mass destruction, did not reduce the need for ground forces in the resolution of disputes.
 - The full potential of the Army's capability to deliver strategic outcomes for Government was, at times, reduced through poor strategic and operational direction.
 - **Funding of the Army in peace reflected:**
 - ⇒ **A lack of appreciation of the funds required to generate and maintain ground combat capability in a useable state.**
 - ⇒ **A failure to determine minimum acceptable levels of capability and then provide consistent resourcing to meet these levels.**
 - Army's force structure was, as a consequence of strategic and resource priorities, hollow and lacked balance. It was also incapable of anticipating the necessary structural and conceptual changes to adjust properly to meet future conflicts.
 - Army's personnel structures were not designed to meet the demands that were placed on them following Federation. The establishment of

special contingents and the eventual creation of a regular army were attempts to work around this problem.

- The staffing of the Army was probably affected by community perceptions about its relevance and desirability as an employer.
- The relative technological sophistication and equipment levels within the Army remained low, particularly at the start of conflict. The ratio of equipment to personnel was adjusted during conflict by reducing the strength of organisations and through increased resourcing.
- The growing need to maintain community support for operations since the advent of the electronic media. This support is also dependent on a need to minimise casualties wherever possible. The application of technology is critical to achieving this outcome.

2.71 The trends identified above are not exhaustive. They do, however, represent key themes that we believe must be considered in any review of the Army's contemporary situation. They suggest recurrent areas of activity in which the Army has not proved suitable and that should be redressed.

The Impact of Contemporary Developments on Historical Trends

Introduction

2.72 A number of events have occurred during the 1990s that have impacted significantly on the Army. In roughly chronological order of occurrence these have included:

- The Force Structure Review 1991 and the Ready Reserve Scheme
- The Army in the 21st Century Review and the subsequent Restructuring of the Army (RTA) Trials
- The 1995 changes to joint (tri-service) command and control of operations.
- Changes to organisational structures – 1 Brigade and the Special Operations Group
- The Defence Efficiency Review 1997 and the subsequent Defence Reform Programme
- Revision of the Army's keystone doctrine - The Fundamentals of Land Warfare

- Readiness and Increased Operational Commitments from 1992 to 1999

2.73 A brief explanation of the above events is provided at Appendix D. We considered that these contemporary events, combined with an appreciation of the Army's history, demonstrated clear points of continuity and change within the Army.

Historical Change in Contemporary Affairs

2.74 The historical trends associated with the Army can and have been broken. Over the last two decades contemporary initiatives have resulted in a more ready Army. The key areas of change to the historical norm are detailed below.

- The Army has developed an effective highly credible capability to deploy light forces at short notice at brigade strength.
- The Army has developed a greater degree of balance both internally and between it and the other Services.
- The Army, in combination with the other Services, has created regional outcomes in its own right. This has been as a leading contributor not a minor follower – eg, Bougainville and East Timor.

2.75 Unlike the World Wars, Korea, Malaya, Borneo and the commencement of the Vietnam War, the Army has greater numbers of readily available combat capable troops. It is able to deploy and commit these troops to operations at short notice. It is able to do this through a process of tri-service planning and cooperation that is of a high standard. Finally, the size and duration of the Army's recent commitments have been significant. They have demonstrated that, within the local region, the Army can have a decisive effect. It can do this as a leader or as a major contributor to a coalition.

2.76 These changes reflect the creation of a focused and highly professional Army. It is an Army comfortable in its regional environment and comfortable working with the armies of regional countries.

Historical Continuity in Contemporary Affairs

2.77 Notwithstanding the improvements within the Army, some things have not changed. The areas of historical continuity we identified within the contemporary Army are listed below.

- The Army's strategic role appears to have again broken down under the pressure of contemporary events. Defence strategy has become

increasingly irrelevant to the real world forces driving the Army's operational commitments.

- The Army although more ready, has a limited ability to expand and sustain forces from within a notionally large force structure. The Army remains hollow.
- Recruiting and retaining the right numbers of quality people for the Army remain difficult. The overall inability of the Reserve to grow with the increase in population suggests:
 - ⇒ continued indifference to the Army within the wider community during peace, and
 - ⇒ an insufficient priority being assigned to the Reserve by defence planners.
- The investment in reserve forces has again not been realised in any increased capability to respond to real world demands. The impediments to the use of the Reserve in meaningful numbers and especially as formed units continue to represent a major inefficiency in Defence funding.
- The need to conduct the Force Structure Review and the Defence Efficiency Review highlighted the recurrent lack of a defined minimum level of capability for the Army. Force structure and operational readiness decisions were being driven by a desire for financial efficiencies. These decisions did not publicly define base lines of necessary capability.
- Army funding, in the face of rising equipment, personnel and operating costs, remains variable from year to year.
- The Army's attempt at force restructuring under the Army 21 concept appeared to flounder for reasons not dissimilar to those that plagued the trial of the Pentropic Division.

Conclusion

2.78 In Chapter 1 we established the principles against which we intended to measure the Army's suitability. Using these principles the contemporary Army can be seen to be a more credible and balanced force. The historical unpreparedness of the Army has been partially redressed. Its recent response, in conjunction with the other Services, to short notice but limited duration and small-scale operations has been impressive. These contingency responses have also demonstrated an improved balance within the force structure of all three Services. This is why we consider the Army to be a more credible and balanced force than in the past. Yet

there remains a large number of unresolved historical problems impacting on the suitability of the Army – including its credibility and balance.

- 2.79 The Army appears still to lack the requisite level of relevance to the wide community. It is not an employer of choice for most young Australians. Its personnel structures and hollowness cast doubt on its sustainability, ability to scale and its efficiency. These deficiencies bring into question its credibility as a force for more significant conflict. Finally, the Army's relevance to current defence strategy is still uncertain. This is of most concern as it is the starting point for all other decisions that drive the suitability of the Army. We will deal with this issue in the next chapter, Australia's Defence Strategy.

